

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

TRAVELERS CASUALTY AND SURETY
COMPANY OF AMERICA

Plaintiff,

v.

GOLD, SCOLLAR, MOSHAN, PLLC; MICHAEL
J. MOSHAN; ALLISON SCOLLAR;
KATHERINE KOKKOSIS and ROBERT B.
GOLD

Defendants.

Case No. 14 CV 10106

DECLARATION OF
MARY I. KING

Pursuant to 28 U.S.C. §1746, Mary I King declares as follows:

1. I am over 18 years of age, I have personal knowledge of the matters set forth in this Declaration, and I am competent to testify to such matters. If I were called as a witness in this action, my testimony would be as set forth in this Declaration.

1. I am employed by The Travelers Indemnity Company as Technical Director and Counsel of the professional liability group of Travelers Bond and Specialty Insurance.

2. My responsibilities as Technical Director and Counsel include, among other things, overseeing and handling coverage issues in connection with lawyers professional liability insurance policies issued by Travelers Casualty and Surety Company of America ("Travelers"). As a result, I have knowledge of the facts regarding (a) notice of potential and actual claims and suits against Gold, Scollar, Moshan, PLLC (the "Firm") involving misuse of client funds (collectively the "Escrow Funds Claim"); (b) the Firm's request that Travelers provide it and certain Firm attorneys with a defense and coverage for the lawsuit *Hui Ye v. Gold, Scollar,*

Moshan, PLLC, No. 14 cv 7688, pending in the United States District Court for the Southern District of New York (the “Ye Lawsuit”); (c) Travelers’ disclaimer of coverage for the Escrow Funds Claim, including the Ye Lawsuit; and (d) Travelers’ refund of premium to the Firm.

3. Travelers is an insurance company incorporated under the laws of the State of Connecticut and has its principal place of business in Hartford, Connecticut.

4. On August 8, 2014, the Firm notified Travelers of potential claims resulting from Alison Scollar’s (“Scollar”) removal of client funds from the Firm’s client escrow account (the “Trust Account”). Scollar was a principal of the Firm at that time.

5. The Firm subsequently notified Travelers that claimants had asserted claims against the Firm regarding Scollar’s removal of client funds from the Trust Account (collectively the “Escrow Funds Claim”).

6. On October 5, 2014, Travelers received written notice of the Ye Lawsuit, and the Firm’s request that Travelers provide a defense and coverage to the Firm, Michael Moshan, Robert Gold and Katherine Kokkosis for the Ye Lawsuit.

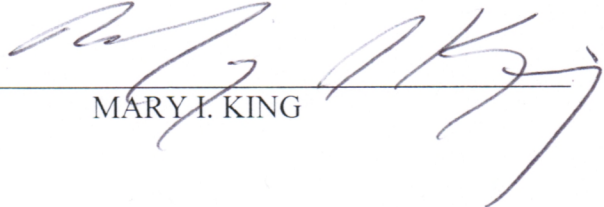
7. On October 15, 2014 Travelers advised the Firm by letter that it was reserving its right to seek the Policy’s rescission, and that in any event, the Policy would not provide coverage for the Escrow Funds Claim, including the Ye Lawsuit, in light of the Policy’s Misrepresentation Condition, which provides that the Policy does not apply to a Claim if a Principal Insured has intentionally misrepresented or concealed certain facts.

8. Following Travelers’ completion of its investigation and discovery of information establishing that the Travelers lawyers professional liability insurance policy issued to the Firm (the “Policy”) should be rescinded, Travelers sent a letter to the Firm dated December 23, 2014. In that letter, Travelers notified the Firm that Travelers was seeking rescission of the Policy, and

Travelers enclosed with that letter a check payable to the Firm in the amount of \$10,110.00, which was the amount the Firm paid as premium for the Policy.

9. I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed this 10th day of April, 2017.



MARY I. KING

CERTIFICATE OF SERVICE

I hereby certify that on April 10, 2017, I electronically filed this Declaration of Mary I. King with the Clerk of the Court for the United States District Court for the Southern District of New York using the CM/ECF system, which will send notification of such filings to all counsel of record.

/s/ Christopher J. Bannon